

CINNAMON RIDGE II CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNERS MEETING MINUTES
OCTOBER 1, 2011

The meeting was called to order at 9:00am. Owners present were Norm Dellosso, Eugene Ford and Mike Schulten (via conference call). Units A2, A5 and A6 were represented by proxy. A quorum was present. Kevin Lovett and Peter Schutz (via telephone) were present on behalf of Summit Resort Group Property Management.

I. The minutes of the 2010 annual home owners meeting were reviewed. Norm made a motion to approve; Gene seconded and the motion passed.

II. Financial Report

Kevin Lovett of Summit Resort Group reported on the following:

August 31, 2011 close financials

August 31, 2011 close financials Balance Sheet reports that we have \$3,988.67 in operating and \$4,761.47 in Reserves.

August 31, 2011 close Profit and Loss Statement reports that we are \$1,645 under budget in operating expenses.

Areas of major variance include:

519 Security System - \$1132 under budget (timing is the main reason for this underage as the annual systems inspection is pending)

Project that 2011 year end closes very close to budget.

Reserve Account

The Reserve account has a balance of \$4,761.47.

All planned additions (\$99 per month) have been made thus far this year.

No reserve expenditures have occurred this fiscal year (\$5,171 in 2010)

Preliminary Operating Budget 2012

The preliminary operating budget for 2012 was presented.

Upon review and discussion, Gene Ford moved to increase dues by \$50 per unit per quarter as there are near future projects of large expense projected to incur to include the replacement of one of the hot water heaters and exterior building painting and the increase will allow additional funds to be placed into reserves; Norm seconds and the motion passed.

III. Managing Agents Report- Kevin Lovett reported on the following:

Completed Items

-Winterization including blow out of irrigation system and securing of snow plow contractor for winter 2011 (same contractor as last few years)

-Stair tread painting

Report items

-Carpet and subfloor – work completed Fall 2010

- Annual fireplace cleaning and inspections
 - 10 units with wood fireplaces at \$45 each
 - 2 units with gas, option to do gas safety checks for \$50 each
 The board agreed to inspect all wood and gas fireplaces.
- Annual Security systems test and inspection; scheduled for Wednesday Oct 5th
- Comcast TV agreement renewal - the Board approved the 7 year Comcast cable bulk agreement. Secretary / Treasurer Gene Ford signed the agreement on behalf of the Association as approved by the President and Vice President.
- Property Management Agreement Renewal - The Board approved a 1 year renewal of the property management agreement with a 2.5% rate increase.

IV. Old Business

There were no old business items to discuss.

V. New Business

A. Hot water heaters - SRG will:

- Find out exact age of each hot water heater
- Obtain firm cost estimate to replace the "front" hot water heater as this heater is believed to be the older of the two
- Obtain cost to "remove and replace" the front hot water heater just for the purpose of accessing the back hot water heater
- Obtain cost/ plan to install an access door to facilitate access to the back hot water heater so that removal of the front heater is not necessary

B. Carpet - overall the exterior hallway carpet is in fair shape with the exception of the carpet on the west stairwell landing going from the 1st to the 2nd floor. Replacement of the carpet on this landing is a future project to be considered.

C. Charcoal grills - owners are reminded that charcoal grills are not permitted on unit decks per Summit County regulations. This reminder will be included in the post annual meeting mailer.

D. Drainage ditch, east side of building - it was noted that the drainage ditch on the east side of the building overflows during peak runoff and there is concern of water entering the crawl space of the building. SRG will work with the Board to investigate options to improve the function of the drain to include digging it deeper, installing a 6" drainage pipe and replacing the rocks and weed barrier.

E. Post annual meeting mailer - SRG will send a mailer to all owners presenting minutes from this meeting, dues increase information and reminder that charcoal grills are not permitted.

- VI. The election of Directors was the next item of business. All current Board members are willing to serve another term. Director positions were assigned as follows:
- Mike Schulten – President
 - Norm Dellosso – Vice President
 - Eugene Ford – Treasurer
- VII. The 2012 annual meeting was set for the first Saturday in October 2012 at 9:00 am at the Summit Resort Group office.

With no further business the meeting adjourned at 10:00 am.